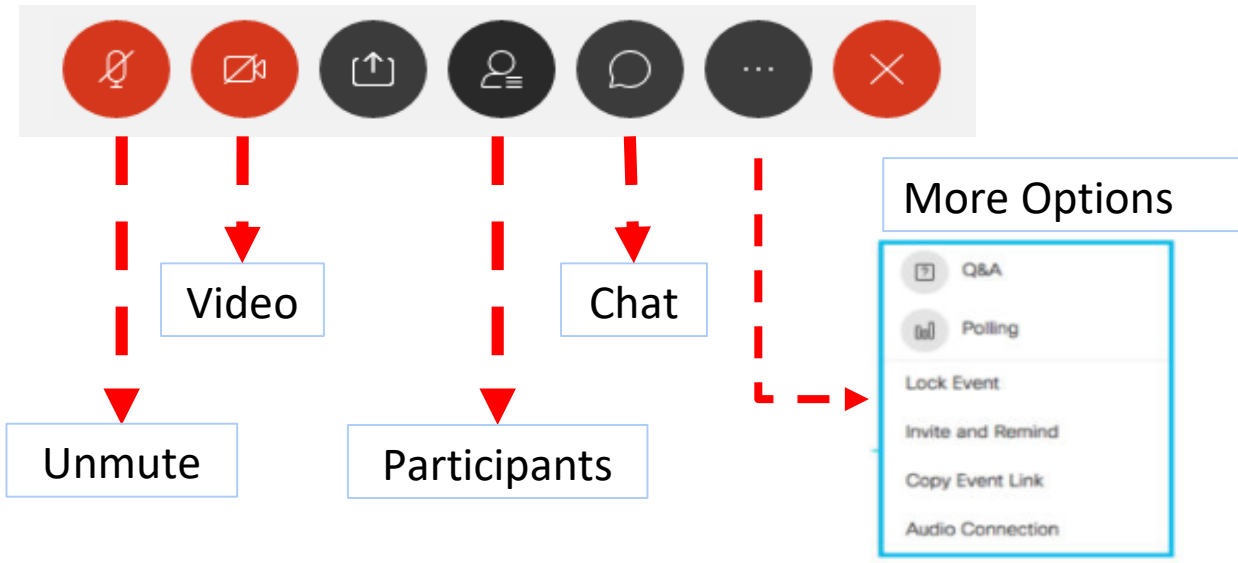


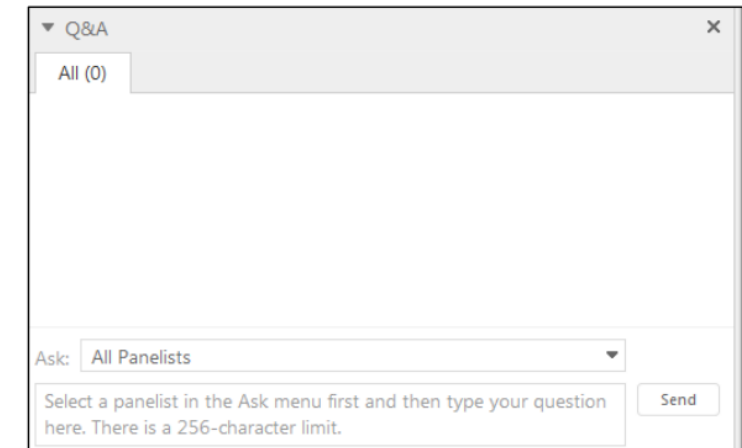
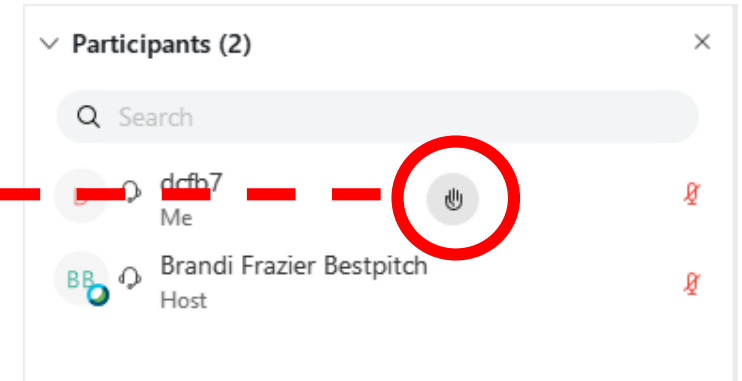
Housekeeping/Navigation

- Participant Raise Hand & Q&A Panel on the right

- Navigation radials at the bottom of your WebEx Screen



Raise Hand



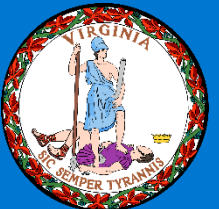
Clean Energy Virginia Webinar Series

Angela Navarro

Deputy Secretary of Commerce and Trade
Office of Governor Northam



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Webinar Series

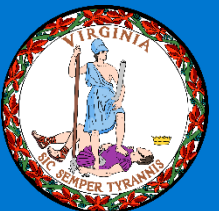
Webinars will discuss the Commonwealth's clean energy policies and next steps, with a focus on the following subjects:

- Webinar 1: July 22, 2020 – Energy Efficiency
- Webinar 2: July 29, 2020 – Distributed Generation Solar
- Webinar 3: August 5, 2020 – Energy Storage
- Webinar 4: August 12, 2020 – Utility Scale Solar and Onshore Wind
- Webinar 5: August 19, 2020 – Offshore Wind

Register Today: <https://www.dmme.virginia.gov/de/delandingpage.shtml>



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Presentation Outline

- I. Virginia Clean Economy Act (VCEA) overall goals and regulatory changes
- II. Energy efficiency components of VCEA
(presenter: Chelsea Harnish, VA Energy Efficiency Council)
- IV. Virginia's use of Regional Greenhouse Gas Initiative (RGGI) funds to expand low-income energy efficiency programs for affordable housing
(presenter: Erik Johnston, VA Dept. of Housing & Community Development)
- V. Q&A
(moderator: Dan Farrell, DMME)

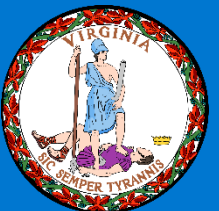
Welcome and Introduction

Clean Energy Virginia Policy Objectives:

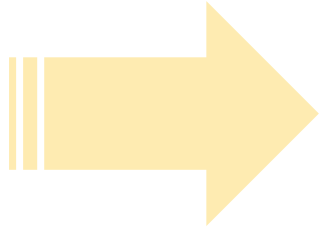
- Transition Virginia's electric grid to 100% carbon-free resources by 2050;
- Significant build-out of clean energy assets that will drive new investment across the Commonwealth;
- Provide the landscape for clean energy businesses to expand or locate in the Commonwealth; and
- Ensure energy equity and environmental justice while providing benefits to historically economically disadvantaged communities.



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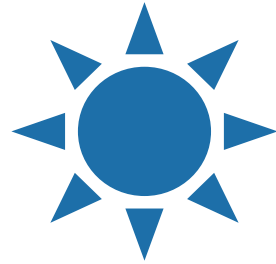


State Energy Goals: Executive Order 43



30% by 2030

Produce 30 percent of
Virginia's electricity
from renewable energy
sources by 2030



100% by 2050

Produce 100
percent of
Virginia's
electricity from
carbon-free
sources by 2050



Energy Equity

Achieve energy goals
in a just manner that
advance social,
energy, and
environmental equity



Virginia Clean Economy Act

- **Establishes a mandatory renewable portfolio standard (RPS):**
 - Dominion Energy: 40% by 2030; 100% by 2045
 - Appalachian Power: 30% by 2030; 100% by 2050
- **Establishes a mandatory energy efficiency resource standard (EERS):**
 - Dominion Energy: 5% by 2025
 - Appalachian Power: 2% by 2025
- **Deems 16,100 MW of solar and onshore wind, 5,200 MW of offshore wind, and 2,700 MW of energy storage in the public interest.**



VCEA – Major Regulatory Changes

- Requires State Corporation Commission (SCC) to consider the ***social cost of carbon*** in any application to construct new generating facility.
- The SCC must ensure development of new energy resources or facilities does not have disproportionate adverse impact on historically economically disadvantaged communities (HEDCs).
- Establishes a Percentage of Income Payment Program (PIPP) for low income households to provide an alternative payment structure.

Worker Health & Safety During COVID-19 Pandemic

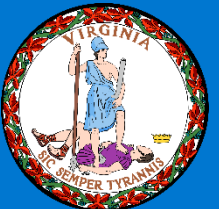
- [Virginia Department of Labor and Industry's](#) Safety and Health Codes Board adopted the first statewide emergency workplace safety standards in the U.S. in response to COVID-19.
- These standards mandate appropriate personal protective equipment, sanitation, social distancing, infectious disease preparedness and response plans, record keeping, training, and hazard communications in workplaces across the Commonwealth.
- Opportunities to innovate new processes and technologies to protect health and safety (e.g. [virtual audits and virtual permits](#))

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Energy Efficiency Webinar Partner Organizations



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Audience Poll Question

What type of organization do you represent?

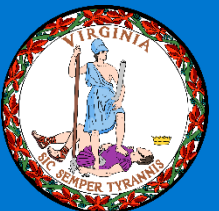
(Please respond using poll side panel)

VCEA - Energy Efficiency Components

Chelsea Harnish, Executive Director
Virginia Energy Efficiency Council (VAEEEC)



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Energy Efficiency Resource Standard (EERS)

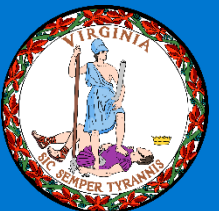
What is an EERS?

“An energy efficiency resource standard (EERS) is a quantitative, long-term energy savings target for utilities. Under direction from this policy, utilities must procure a percentage of their future energy needs using energy efficiency measures, typically equal to a specific percentage of their load or projected load growth.”

Source: American Council for an Energy Efficient Economy (www.ACEEE.org)

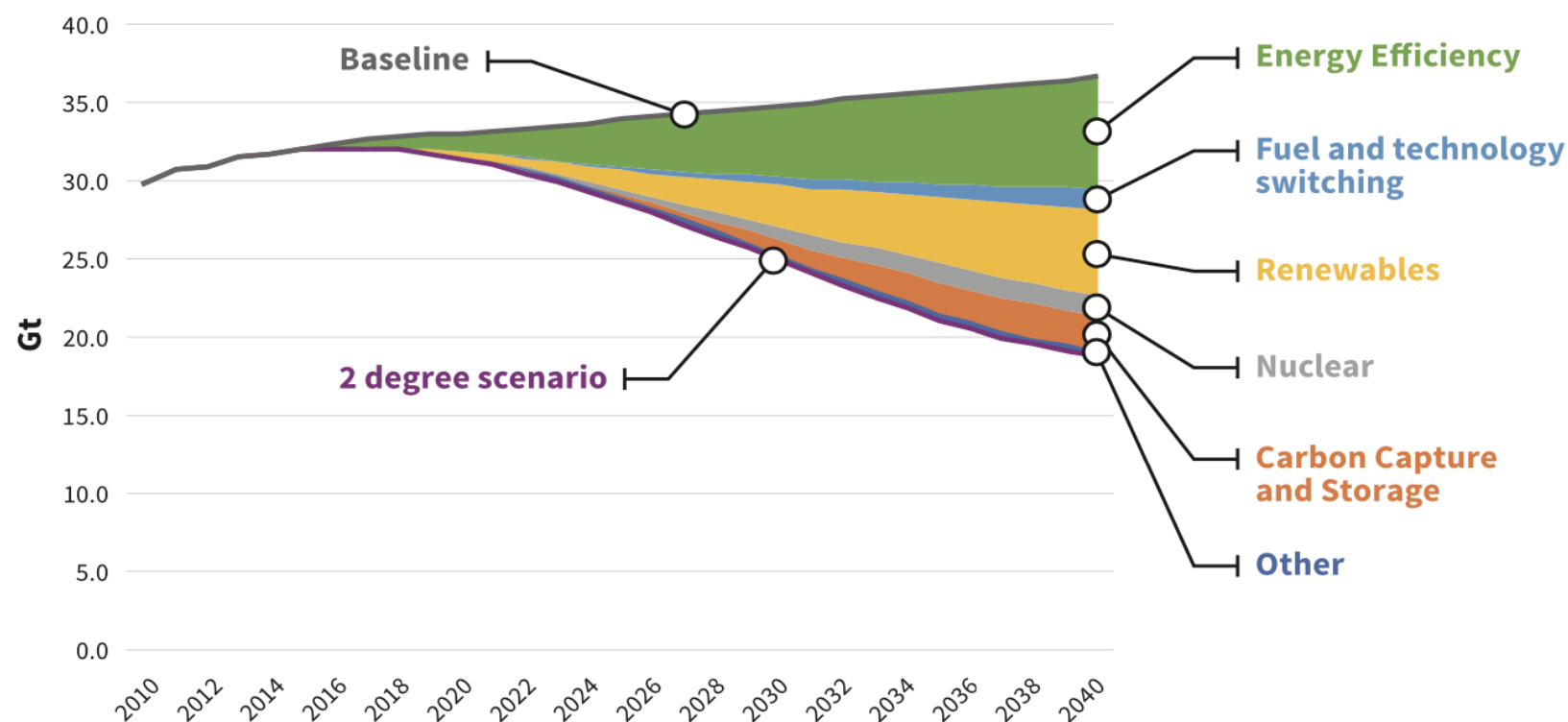


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Energy Efficiency is Key to Carbon-Free

Figure 4. IEA *Global Energy Outlook* emissions scenario with temperature increase limited to 2 degrees



Source: ACEEE graph using data from International Energy Agency (IEA). www.aceee.org/sites/default/files/publications/researchreports/u1604.pdf

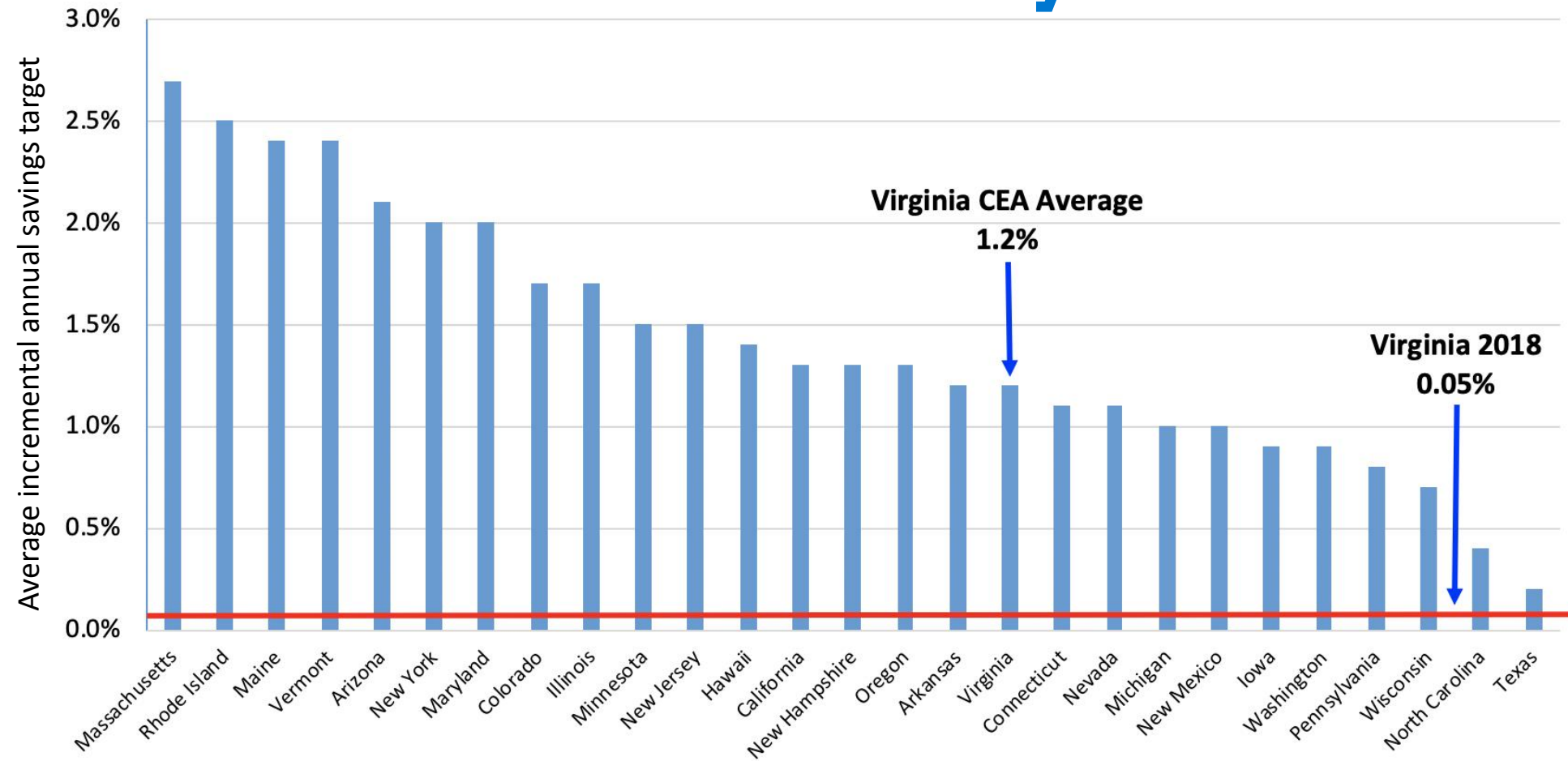
VCEA Structure for EERS

Year	Appalachian Power Co. ("Phase I electric utility")	Dominion Energy ("Phase II electric utility")
2022	0.5%	1.25%
2023	1.0%	2.50%
2024	1.5%	3.75%
2025	2.0%	5.00%

**Savings are total annual savings achieved by utility programs,
calculated against 2019 average annual retail sales baseline*

**Starting in 2026, State Corporation Commission (SCC) to generate
new annual savings targets for each successive three-year period**

Electric EERS by State



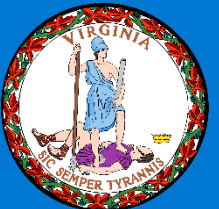
Source: ACEEE

VCEA Provides New Business Opportunities

- EERS savings requirements will compel utilities to better target and diversify energy efficiency program portfolios
- Regulatory changes streamline SCC program approval process
- Get engaged with utility energy efficiency working groups. Email facilitator Ted Kniker if interested: ted.kniker@ipa-llc.org
- 50% of revenues generated by Virginia's participation in RGGI to Department of Housing and Community Development (DHCD) low-income housing energy efficiency programs



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Specific New Program Opportunities

1. Expanded programs for households and businesses (includes 500 kW to 1 MW customers)
2. Large industrial customers (>1 MW) must demonstrate effective internal EE programs before opt-out; new partnerships/savings opportunities
3. Pilot programs considered in the public interest if:
 - Program is of limited scope, cost and duration
 - Intended to determine whether a new program would be cost effective.
 - Could be used to test innovations (e.g. industrial customers)

Addressing Energy System Impacts on HEDCs

In Virginia, low-income households face higher-than-national-average energy burdens*.

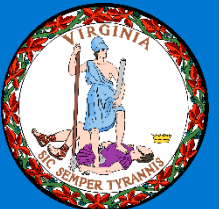
The VCEA will help reduce these burdens by:

1. Increasing funding for utility low-income energy efficiency programs from 5% to 15%
2. Requiring DMME to evaluate additional burdens imposed on HEDCs by components of the VCEA that move Virginia to 100% carbon-free

* For more information on energy burden, please visit: <https://vplc.org/affordable-clean-energy-project>



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Workforce Development

2 or 4 Year degree Preferred or Required: **No**

Certifications Preferred or Required: **Yes**

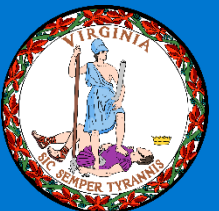
- Association of Energy Engineers (AEE), Certified Energy Manager (CEM)
- Building Performance Institute (BPI), Energy Auditor
- American Society of Heating, Refrigeration, and Air-Conditioning Engineers (ASHRAE), Building Energy Assessment Professional (BEAP)

Virginia Workforce Resources:

- [Virginia Energy Workforce Consortium](#) (VEWC) - Building tomorrow's workforce needs in the energy sector
- [Weatherization Training Centers](#) - Train energy professionals to create healthier, safer, more energy-efficient living and working environments



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Audience Poll Question

Would you like to receive more information about incentives for clean energy businesses in Virginia?

(Please respond using poll side panel)

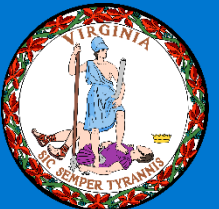
RGGI Participation & Affordable Housing Investment in Virginia

Erik Johnston, Director

Virginia Department of Housing & Community Development (DHCD)



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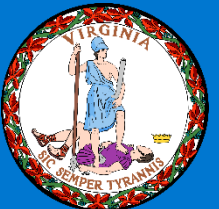


What is RGGI?

- The Regional Greenhouse Gas Initiative (RGGI) is the first mandatory market-based program in the United States to cap and reduce greenhouse gas emissions
- Virginia's CO2 Budget Trading Program regulation became effective on July 1
- Virginia is in the process of joining RGGI; on January 1, 2021, Virginia will become a full participant in RGGI
- Power producers must purchase emissions allowances through the RGGI auctions and Virginia will begin to receive proceeds from the RGGI auction in the first quarter of 2021 (www.rggi.org)



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Low-income Energy Efficiency Programs

1. 50 percent of RGGI proceeds will be directed to DHCD for affordable housing programs (per SB 1027/HB 981)
2. Administration's Goals for RGGI Investments
 - Deep energy retrofits (exceeding code) that complement existing state affordable housing construction and rehabilitation to ensure lowest income populations benefit from long-term cost savings
 - Incorporate innovative approaches
 - Prioritize long-term sustainability/durability and occupant health (e.g. ventilation) as well as energy efficiency

COVID-19: Community Impact & Housing Market Challenges

- Housing market has multiple challenges with COVID-19 and economic disruption
- Focus is now on avoiding evictions and stabilizing housing market - Governor Northam announced Rent and Mortgage Relief Program (RMRP) on June 26
- For RMRP eligibility, visit dhcd.virginia.gov/eligibility or call 211 VIRGINIA by dialing 2-1-1 from your phone

RGGI Implementation Process

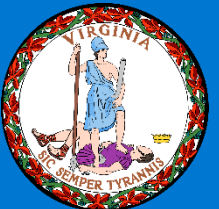
- DHCD will begin stakeholder process in Fall 2020 for public input on how RGGI investments will be used for energy efficiency investments in affordable housing
- For more information, or to get involved in DHCD's stakeholder workgroup: <http://dhcd.virginia.gov/rggi>

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Thank you for attending!

Please use the Q&A box to submit your questions



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